

Town of Amherst
Economic Development Plan
Task 1: Identification of Local Economic Indicators

Pioneer Valley Planning Commission
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Introduction

Local economic indicators were identified and compiled for the Town of Amherst to support the development of a comprehensive Economic Development Plan. Additional data was collected for a retail leakage study that is a separate document but will be referred to here. Detailed Excel spreadsheets from which data was gathered are also provided separately. All of the data reflects the overwhelming influence of the presence of the University of Massachusetts in the town, with its 8,440 employees and nearly 30,000 students.

Methodology

This report utilizes U.S. Census Bureau's American Community Survey (ACS) estimates, which are developed from annual national surveys to provide up-to-date information about the social and economic characteristics of communities. These figures are useful for municipal planning projects, as they can be compared over time and across different types of plans, and they provide more updated information than the decennial census, particularly near the end of the decade. The American Community Survey Data is collected from a sample of the population in the United States and Puerto Rico, rather than from the whole population, and all ACS data are estimates based on a five-year rolling average. To help interpret the reliability of the estimates, the Census Bureau publishes a margin of error (MOE) for every ACS estimate, and the data is generally accurate to within +/-500 people or more, depending on the indicator. A separate report submitted as part of this project, the *Town of Amherst Retail Market Analysis*, utilizes Environmental Systems Research Institute (ESRI) ArcGIS Business Analyst Software, the industry standard for market research, which applies additional analysis to census data to provide current year estimates. The additional analysis includes household migration data from the IRS, building permit data, postal delivery counts, and data from several ancillary and private sources. ESRI does not publish margin of error statistics but is widely considered the leading vendor for demographic data.

Demographics

Population demographics in Amherst are representative of a small college town with a diverse income range. The general population has been increasing slowly over the past ten years, after a more dramatic rate of increase between 1940 and 1980 documented in the 2010 Amherst Master Plan.¹ The current population is estimated to be about 40,000 people, based on two standard sources: the U.S. Census Bureau's American Community Survey estimate for 2016 is 39,724; and the 2017 ESRI Business Analyst figure is 40,080.² This number is projected to rise by approximately another 1,200 over the next five years.³

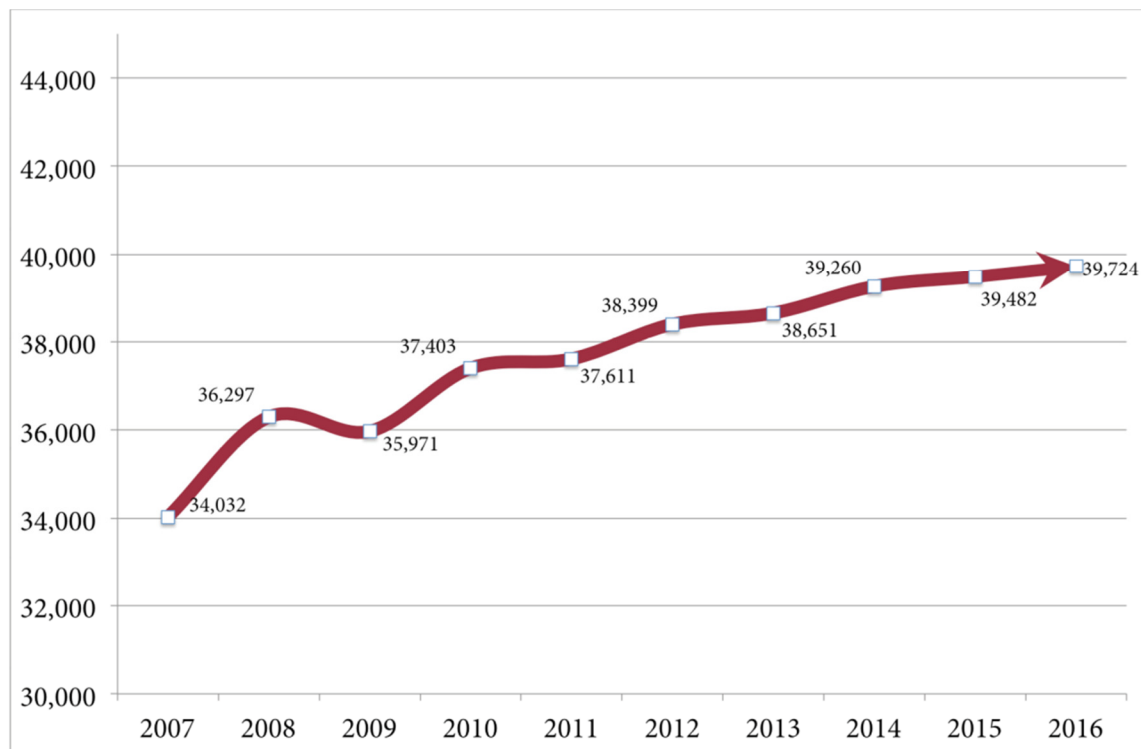
¹ 2010 Amherst Master Plan, Supporting Document A: Existing Conditions and Trends Report, p. 3.3., Figure 1A

² Please see section on Methodology for explanation of these differences and note that both figures are within the 500-person MOE.

³ *Retail Market Analysis*, Elan Planning, Design and Landscape Architecture PLLC, 2018, p. 10. Figures in the report are based on Environmental Systems Research Institute (ESRI) ArcGIS Business Analyst Software and Town of Amherst housing projections.

The population is also somewhat ethnically diverse, with nine percent of Hispanic origin, six percent Black, and 13 percent Asian, as well as about eight percent self-defined as “two or more races” or another race such as American Indian or Pacific Islander.⁴ This means that residents considering themselves “White alone” comprise 73% of the population, which is far lower than in Hampshire County as a whole (about 90%). These percentages don’t add up to 100% because of the overlap in categories; the U.S. Census allows residents to indicate more than one option. This data is provided in the accompanying 2018 *Retail Market Analysis* completed by Elan Planning, Design and Landscape Architecture PLLC, on page 12.

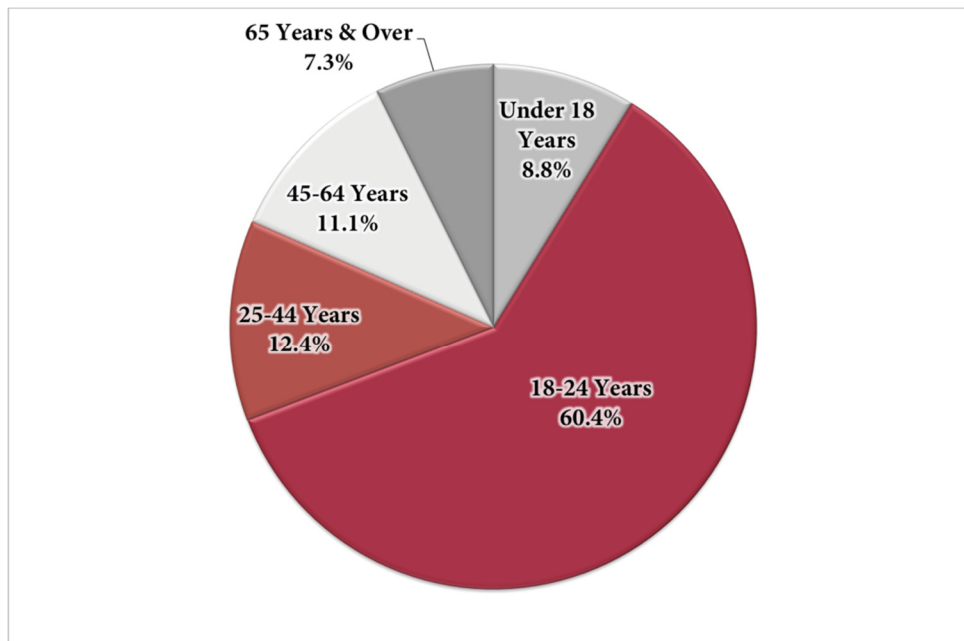
Figure 1: Amherst Population Trends (2007-2016)



Source: 2007 - 2008 ACS 3-year estimates, 2009-2016 5-year estimates

⁴ *Retail Market Analysis*, Elan Planning, Design and Landscape Architecture PLLC, 2018, p.12

Figure 2: Amherst Population by Age Group



Source: 2012 - 2016 ACS 5-year estimates

Amherst's population in the 18-24-year age range is extremely high because of the presence of three higher education institutions: the University of Massachusetts' flagship campus, Amherst College, and Hampshire College. The population figures include all 18-24-year-olds who identify their primary residence as Amherst in U.S. Census surveys, whether they are students or not. If they are students, they are counted whether living on- or off-campus. However, if students living in Amherst provide a different home address on the census forms, they are not counted as Amherst residents. The number of students is an important factor in the economic development planning for Amherst, both for purposes of downtown retail planning (see Elan's *Retail Market Analysis* for more details on this) and overall economic activity.

The University estimates the number of off-campus students who are living within the town of Amherst to be approximately 5,000. Many of the remaining off-campus students are living in Hadley and Sunderland.⁵ The number of Amherst and Hampshire College students living off-campus is relatively small, estimated to be about 190, and has less of an impact on the community. Hampshire College allows up to 150 students to live off campus each year, but they must formally apply, and it is not certain how many actually do this. Table 3 shows how many of these students might be living in Amherst. Amherst College's website states that 98% of students live on-campus.⁶

⁵ UMass Office of Institutional Research, 2018

⁶ <https://www.Amherst.edu/>; <https://www.hampshire.edu/>

Figure 3: Student Population and Residence Status - Amherst Higher Education Institutions

Student Residence Status - 2018	Total Students	On-Campus	Off-Campus	Off-Campus Breakdown	
				Amherst (est.)	Elsewhere
UMass	28,984	13,500	15,484	5,000	10,484
Amherst College	1,849	1,812	37	30	7
Hampshire College	1,400	1,250	150	100	50
Total	32,233	16,562	15,671	5,130	10,541

Sources: University of Massachusetts Office of Institutional Research, Enrollment Fact Sheet, Spring 2018; <https://www.Amherst.edu/>; <https://www.hampshire.edu/>

Because of the high number of students, the number of adult residents 25 years and older (12,353) is fairly small relative to the total population. The following section addresses the educational attainment level of these older residents.

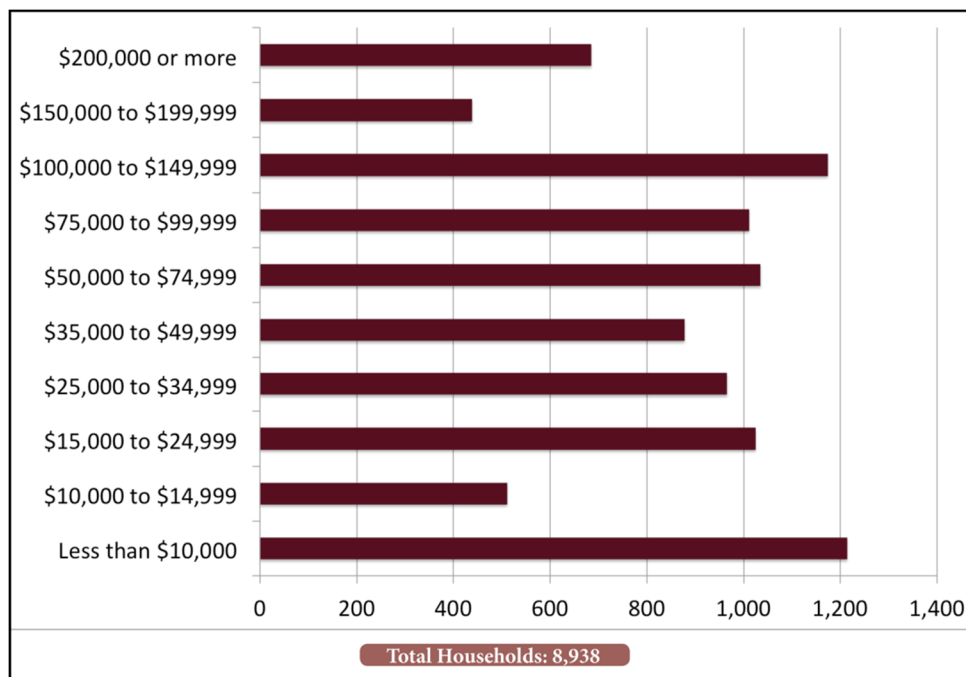
Figure 4: Educational Attainment

Educational Attainment - Residents 25 Years and Over	Total	Percent
Amherst Population 25 years and over	12,353	-
Less than 9th grade	283	2.3%
9th to 12th grade, no diploma	284	2.3%
High school graduate (includes equivalency)	1,475	11.9%
Some college, no degree	1,349	10.9%
Associate's degree	613	5.0%
Bachelor's degree	3,006	24.3%
Graduate or professional degree	5,343	43.3%

Source: 2011-2015 American Community Survey 5-Year Estimates

Amherst residents are highly educated. Over 40 percent have a graduate or professional degree, and a total of 68 percent (more than two-thirds) have at least a bachelor's degree. A very small segment of the population 25 years and older has less than a high school diploma (4.6%).

Figure 5: Number of Households by Income Level



Source: 2011-2015 American Community Survey 5-Year Estimates

The median household income in Amherst is \$48,059 (2012-2016 American Community Survey Data).⁷ Nearly a third (2,750 or 31%) of households in Amherst have very low incomes (less than \$25,000). These households do not include students living within the University or college dormitories, because dorms are considered to be “group quarters” and are not included in the household count. Since an estimated 5,130 local residents are UMass, Amherst College or Hampshire College students living off-campus,⁸ it could be concluded that a portion of the low-income households are student households living outside of the dormitories. They may be working part-time, either on or off-campus, and include both undergraduate and graduate students.

More than a third (36%) of households are in the \$50,000 to \$149,000 income range, and a significant number earn \$150,000 or more (12.6%). This latter group is equivalent to approximately 3,300 people, including children, living in 1,124 households. The *Elan Market Analysis* addresses the spending patterns of these more affluent residents, as well as the other four most prominent demographic segments, which together represent 80% of Amherst residents.

Despite the relative affluence of many Amherst residents, there remains a significant population of non-student residents in poverty, including children and elderly. There are also a disproportionate number of people of color below the poverty line. It will be important to measure changes in these populations as Amherst pursues economic development strategies that benefit all residents.

⁷ “Median” household income refers to the income level earned by a given household where half of the homes in the area earn more and half earn less. It is used instead of the average or “mean” household income, because it can give a more accurate picture of an area’s actual economic status.

⁸ UMass Office of Institutional Research; <https://www.Amherst.edu/> ; <https://www.hampshire.edu/>

Figure 6: Amherst Poverty Rate

	Percent Below Poverty Level
Amherst Population	35.7%
Age Group	
Under 18 years	19.5%
18 to 34 years	62.4%
35 to 64 years	10.8%
65 years and over	6.7%

Source: 2012-2016 American Community Survey 5-Year Estimates

Figure 7: Poverty Rate by Race and Ethnicity

Amherst Population: Race and Hispanic or Latino Origin	Percent Below Poverty Level
American Indian and Alaska Native alone	70.4%
Black or African American alone	60.1%
Hispanic or Latino origin (of any race)	40.6%
White alone	35.5%
Native Hawaiian and Other Pacific Islander alone	35.3%
White alone, not Hispanic or Latino	35.0%
Asian alone	27.3%
Two or more races	23.4%
Some other race alone	12.2%

Source: 2012-2016 American Community Survey 5-Year Estimates

The U.S. Census asks residents to self-identify their race and ethnic origin, and they may check “Hispanic or Latino origin” in addition to any other racial identification. The options given are those above in Figure 7. Because many individuals may identify as both “White” and “Latino” or both “Black” and “Latino,” there are multiple categories that overlap.

Business and Employment

The largest industry sector in the Town of Amherst, *by number of businesses*, is Health Care and Social Assistance, with 370 entities making up 40% of all businesses (both non-profit and for-profit). However, in terms of employment, it is a relatively modest component of the economy, with 1,603 employees (comprising only 9% of all Amherst business’ employees). Most of these workers are relatively low-paid, at an average weekly wage of \$561. Because this sector is comprised of many small businesses as opposed to fewer large ones, it is not a significant driver of the economy as it is in other communities which have major medical facilities, such as Cooley-Dickinson Hospital in Northampton or Baystate Medical Center in Springfield. These institutions employ a wide range of staff from doctors, nurses, and administrators to numerous types of technicians, with staff ranging from approximately 1,500 for the smaller facilities to roughly 7,000 for Baystate’s Springfield campus.

The largest industry sector *by employment* is Educational Services, although it is concentrated in relatively few organizations and businesses. With nearly 60% of Amherst’s workers in this sector, it dominates the employment landscape.

Other significant sectors in town include Retail Trade as well as Professional and Technical Services. As the fourth largest sector by employment, the Retail Trade sector’s 67 businesses are important in Amherst and are examined more closely in Elan’s *Retail Market Analysis*.⁹ Professional and Technical Services businesses are fairly numerous (over 100) but small. It is worth remarking on this, however, as the U3 Advisors report pointed out that “small businesses, start-ups, and other entrepreneurial ventures are not populating within Amherst” and that there is not “a critical mass of businesses with roots that are traced back to UMass and the colleges.”¹⁰ Among the 100 or so professional and technical services companies are about two dozen high-tech and engineering companies that may well have been established by UMass graduates and/or staff. These include several engineering firms, software development companies, computer systems design, custom computer programming, research and development firms and other similar entities. Furthermore, there may be many other service-oriented firms with roots at UMass, including landscape design, interior design, food services, and so on. It would make sense to pursue this area further to see how much influence the University is having on local entrepreneurship and how this can be encouraged and enhanced.

⁹ *Retail Market Analysis*, Elan Planning, Design and Landscape Architecture PLLC, 2018. Note that Elan’s study includes “Food Services and Drinking Places” as well as “Non-Store Retailers” in the total numbers for retail establishments and employees; therefore the numbers are different from the retail industry data here. The Elan report also uses a different methodology and is not directly comparable to this report.

¹⁰ *UMass/Town of Amherst Housing and Economic Development Plan Narrative Report*, U3 Advisors, December 2014, p. 7

Figure 8: Amherst Industry Profile

Industry Sector (by NAICS code)	Amherst Businesses		Amherst Employees	
	Number	% of All Businesses	Number	% of All Employees
Agriculture, Forestry, Fishing & Hunting	8	1%	48	<1%
Construction	26	3%	177	1%
Manufacturing	4	<1%	48	<1%
Retail Trade	67	7%	837	5%
Transportation and Warehousing	6	1%	126	1%
Wholesale Trade	13	1%	40	<1%
Information	21	2%	193	1%
Finance and Insurance	29	3%	146	1%
Real Estate and Rental and Leasing	32	3%	244	1%
Professional and Technical Services	104	11%	309	2%
Administrative and Waste Services	19	2%	170	1%
Educational Services	43	5%	10,111	59%
Health Care and Social Assistance	370	40%	1,603	9%
Arts, Entertainment, and Recreation	17	2%	592	3%
Accommodation and Food Services	80	9%	1,613	9%
Other Services, Ex. Public Admin	70	7%	445	3%
Public Administration	21	2%	388	2%
Total, All Industries	934	100%	17,123	100%

Source: MA Executive Office of Labor and Workforce Development, 2016.

Figure 9: Amherst Industry Sector Wages

Industry Sector (by NAICS code)		
	Average Weekly Wage	Total Wages
Agriculture, Forestry, Fishing & Hunting	\$408	\$1,019,229
Construction	\$1,013	\$9,324,722
Manufacturing	\$744	\$1,857,042
Retail Trade	\$551	\$24,000,752
Transportation and Warehousing	\$748	\$4,899,575
Wholesale Trade	\$1,371	\$2,851,098
Information	\$1,077	\$10,811,169
Finance and Insurance	\$1,451	\$11,017,990
Real Estate and Rental and Leasing	\$707	\$8,971,166
Professional and Technical Services	\$1,258	\$20,210,281
Administrative and Waste Services	\$903	\$7,982,028
Educational Services	\$1,175	\$617,699,558
Health Care and Social Assistance	\$561	\$46,741,247
Arts, Entertainment, and Recreation	\$363	\$11,189,236
Accommodation and Food Services	\$374	\$31,361,934
Other Services, Ex. Public Admin	\$677	\$15,660,016
Public Administration	\$1,256	\$25,338,762
Total, All Industries	\$958	\$853,338,179

Source: MA Executive Office of Labor and Workforce Development, 2016.

The industry sectors with the highest average wages are very small in Amherst, although *most* industry sectors other than Educational Services and Health Care and Social Assistance are quite small (less than 5% of all employees). The sector with the highest average wages is Finance and Insurance, which comprises only 3% of all businesses and 1% of all jobs. Wholesale Trade wages are the second highest but with an even smaller footprint in Amherst (1% of all businesses and less than 1% of jobs). Similarly, Professional and Technical Services and Public Administration, both high-paying fields, are fairly minimally represented in Amherst.

Educational Services, the most significant industry sector in Amherst by number of employees and total wages, has the fifth-highest average weekly wages. However, weekly wages in the second biggest industry by total wages, Health Care and Social Assistance, are some of the lowest. Also at the lower end of the spectrum are Arts, Entertainment and Recreation (\$363/wk) as well as Accommodation and Food Services (\$374/wk).

Two of the following tables (Figures 10 and 12) list the top 20 employers in Amherst in both the for-profit and non-profit sectors. The number of businesses by size is also analyzed (Figure 11). In the for-profit sector, Figure 10 highlights several of the largest Health Care and Social Assistance businesses, including the Center For Extended Care (skilled nursing facility), Applewood at Amherst (retirement community), and the Arbors at Amherst (assisted living facility). In addition, two of the biggest employers are the two supermarket operators in town, Atkins Farms and Big Y.

The next largest employers include services, lodging, restaurants, and real estate companies. With the exception of the real estate companies and higher level positions in health care, most of the biggest employers have predominantly low-wage positions.

Figure 10: Top 20 For-Profit Employers in Amherst

Business Name	Total Employees	Sales Volume (USD)
Center For Extended Care and Rehabilitation	220	\$15,031,793
Atkins Farms Country Market (<i>2 locations</i>)	165	\$31,754,397
Big Y Foods	162	\$40,000,000
Applewood at Amherst	93	\$6,112,364
Lord Jeffery Inn	83	\$4,183,325
Wings Over Amherst	82	\$4,132,924
Judies Restaurant	77	\$3,880,916
Taylor Davis Landscape Co	60	\$48,859,590
Amherst Brewing Co	60	\$3,024,091
Jones Group Realtors	55	\$6,461,127
Arbors at Amherst	55	\$3,614,839
Rafters Sports Bar & Restaurant	55	\$2,772,083
The Amherst Pub	55	\$2,772,083
CVS Pharmacy 1 of 2	50	\$18,507,859
CVS Pharmacy 2 of 2	50	\$18,507,859
Cowls Building Supply	45	\$7,635,877
Almadan, Inc	44	\$3,006,359
Hampshire Athletic Club	44	\$1,607,066
Hickory Ridge Golf Club	42	\$3,027,560
Black Sheep Deli & Bakery	40	\$2,016,060

Sources: DatabaseUSA.com Business-Level Data, 2017; MA Executive Office of Labor and Workforce Development, 2018

Note: If employers do not confirm precise figures, DatabaseUSA Business-Level Data uses a modeling method that groups similarly sized entities together. Thus, different businesses are sometimes listed with the same number of employees and revenues.

While Figure 10 shows the largest businesses, the vast majority (89%) of the for-profit businesses in Amherst are relatively small, with less than 20 employees. As seen in Figure 11, there are several businesses with 50-100 employees, but only three with over 100. This is typical of the Pioneer Valley, however, where about 94% of businesses in the region are firms with fewer than 50 employees, and approximately 70% have fewer than 10 employees.¹¹

¹¹ 2014 Comprehensive Economic Development Strategy (CEDS) Ten-Year Update, Pioneer Valley Planning Commission, p. 43. This refers to the combined region of Hampshire and Hampden Counties.

Figure 11: Amherst For-Profit Businesses by Number of Employees

# of Employees	% of Businesses
1 - 4	51.64%
5 - 9	23.47%
10 - 19	13.76%
20 - 49	8.30%
50 - 99	2.29%
100 - 249	0.55%

Source: DatabaseUSA.com Business-Level Data, 2017.

In the non-profit sector, although institutions of higher education are excluded from Figure 12 (as requested by the Town of Amherst), educational ventures and services abound. Not least of these is Five Colleges, Incorporated, a consortium of the five colleges in the area, which include UMass Amherst, Amherst College, and Hampshire College (all in Amherst) as well as Mt. Holyoke and Smith Colleges. With employment of 141, this entity is a significant adjunct to the higher education institutions. Other non-profits related to the presence of so many institutions include the Massachusetts Higher Education Consortium, which is a non-profit group purchasing entity, and Hillel, The Foundation for Jewish Campus Life, which operates centers at UMass and Amherst College.

Also on the top 20 list are several schools for children and child care entities, including Amherst Montessori, the Common School, Woodside Children's Center, and Marks Meadow After School Day Care. Other education-related organizations that encompass cultural enrichment include the National Yiddish Book Center, Eric Carle Museum, the Hitchcock Center, and the Institute for Training and Development, Inc. Complementing these are the Amherst Cinema Arts Center and the Amherst Ballet Theater Company.

Health Care and Social Assistance services are also high on the non-profit list, with the Stavros Center for Independent Living as the single largest non-profit employer in Amherst. The other large healthcare non-profit in Amherst is the Friends of Hospice House. Several foundations and human rights organizations are on the list, including the Proteus Fund, Verite, and the UMass Foundation. Finally, the Biodynamic Farmland Conservation Trust (Brookfield Farm) is a relatively significant non-profit employer. Only two of the non-profits listed have employment over 100; most are in the range of 20-60 employees. Only the Stavros Center and Proteus Fund have revenues over \$10 million.

Figure 13 shows the three higher education institutions in Amherst, which are the largest employers and the major driver of the Town's economy.

Figure 12: Top 20 Non-Profit Employers in Amherst (excluding higher education)

Name	Total Employees	Total Revenue
Stavros Center For Independent Living, Inc.	174	\$183,101,523
Five Colleges Incorporated	141	\$9,730,559
Amherst Montessori School, Inc.	62	\$1,368,895
Common School, Inc.	55	\$2,420,721
Friends Of Hospice House, Inc.	55	\$1,516,549
National Yiddish Book Center, Inc.	54	\$5,313,848
Proteus Fund, Inc.	47	\$15,845,373
Eric Carle Museum Of Picture Book Art, Inc.	45	\$2,337,678
Biodynamic Farmland Conservation Trust, Inc.	36	\$422,243
Hitchcock Center, Inc.	27	\$1,094,390
Hillel The Foundation For Jewish Campus Life	27	\$718,180
Verite, Inc.	24	\$3,635,018
Amherst Cinema Arts Center, Inc.	24	\$1,372,835
University Of Massachusetts Amherst Foundation, Inc.	20	\$2,164,653
Woodside Childrens Center, Inc.	17	\$348,751
Marks Meadow After School Day Care, Inc.	16	\$201,687
Massachusetts Higher Education Consortium	15	\$1,640,392
Amherst Ballet Theatre Company, Inc.	12	\$199,232
Institute For Training And Development, Inc.	10	\$2,192,030
Amherst Community Television, Inc.	6	\$336,434

Source: URBAN Institute NCCS Core Files PC Full 990 - 2015

Figure 13: Higher Education Institutions in Amherst

	Total Employees	Total Revenues (USD)
University of Massachusetts/Amherst	8,440	\$1,257,876,000
Amherst College	3,058	\$64,554,000
Hampshire College	1,558	\$56,756,510

Sources: UMass Amherst FY17 Statement of Revenues, Expenses & Changes in Net Assets; Amherst College Annual Financial Report Year Ending June 30, 2015; Hampshire College Financial Report 2015-2016

Figure 14: University of Massachusetts Employment

UMass Employment 2017	
Faculty	1,668
Staff	6,772
Total	8,440

Source: University of Massachusetts Office of Institutional Research, 2018

The University of Massachusetts is by far the largest employer in Amherst. The largest group of workers includes staff who support all of the university's many functions (including administrators), and the

remainder are faculty. In 2013, approximately 25% of UMass employees lived in Amherst, nearly four times the number in any other community.¹²

Figure 15: Amherst Residents - Employment Status

	Total Population 16 years and over	# in Labor Force	% in Labor Force	# Employed	% Employed
2007	31,055	18,385	59.20%	16,211	52.20%
2008	33,476	19,818	59.20%	17,541	52.40%
2009	32,946	18,746	56.90%	16,275	49.40%
2010	34,447	19,325	56.10%	17,086	49.60%
2011	34,649	19,611	56.60%	17,428	50.30%
2012	35,326	19,959	56.50%	17,628	49.90%
2013	35,623	19,557	54.90%	17,242	48.40%
2014	36,235	20,074	55.40%	18,045	49.80%
2015	36,594	20,785	56.80%	18,590	50.80%
2016	36,816	20,838	56.60%	18,592	50.50%

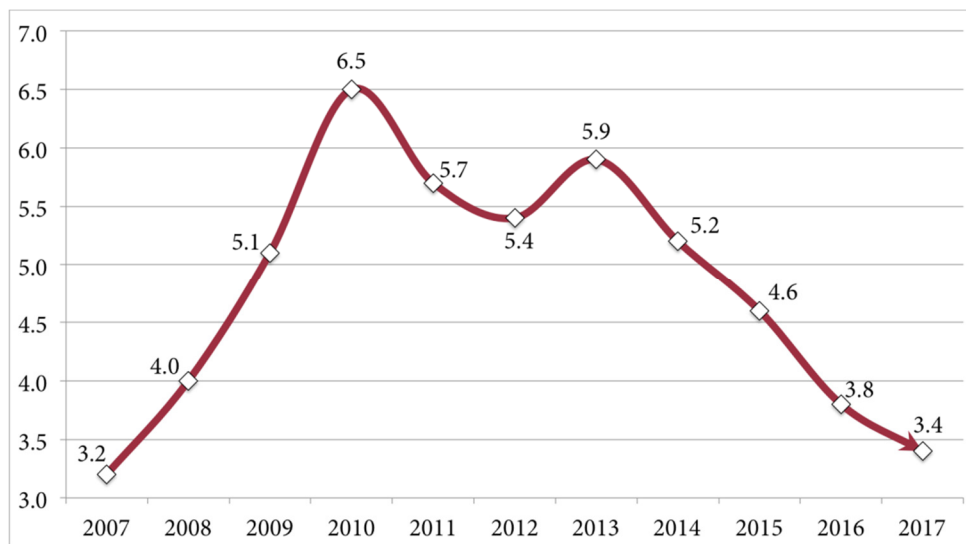
Source: 2007 - 2008 ACS 3-year estimates, 2009-2016 5-year estimates

Of the total population 16 years and over, only about half are employed. This rate has fluctuated slightly over time, but not significantly. The labor force has grown, but the percentage of residents who are in the labor force and who are employed has declined slightly over the last decade. This is most likely because the number of students in Amherst has risen (ages 18-21 as well as students of all ages), while the year-round, permanent population has remained relatively stable. The 2014 U3 Advisors study found that 56% of the population was in the 18-24 year age group,¹³ while according to the census estimates, this figure is now about 60%. The unemployment rate, based on those in the labor force, was significantly affected by the Great Recession of 2008-10, with a sharp increase that peaked at 6.5% and has been generally declining since then (see Figure 16).

¹² UMass/Town of Amherst Housing and Economic Development Plan: Narrative Report, U3 Advisors, December 15, 2014, p. 8.

¹³ UMass/Town of Amherst Housing and Economic Development Plan: Narrative Report, U3 Advisors, December 15, 2014, p.4.

Figure 16: Amherst Unemployment Rate 2007-2017



Real Estate Market

Several indicators of the current real estate environment were collected for this report. Commercial building stock data, vacancy rates and asking rents were obtained from the Town Assessor's office and online commercial real estate listings. Residential building stock, home prices, vacancies and asking rents are provided by the census and are also discussed below.

Commercial Building Stock

The Town of Amherst has a total area of 17,763 acres, which is primarily residential, institutional and open space. Approximately 2,788 acres (15.7%) are institutional lands including UMass, Amherst College and Hampshire College, and 7,523 acres (42%) are partially or permanently protected open space (including forest, farmland, and town-owned recreational areas). Most of the remaining land is residential (approximately 4,100 acres or 25%) or unprotected open space (2,730 or 15%), while only 337 acres (1.9%) are in current commercial or industrial use, according to the Amherst Assessor's office.¹⁴ Approximately 633 acres total are zoned for commercial or industrial uses, meaning there is theoretically another 300 acres of land available for such purposes.¹⁵

At present, most of the commercial building stock is in commercial use (retail, office, service) and only a small portion in industrial use (see Figure 17). In terms of available commercial space (or gross leasable area), commercial uses are primarily concentrated in the town center and along University Drive, with several small village centers distributed throughout town (Figure 18). The "Other" category refers to real estate that is not clustered in a distinct geographic area but rather spread out along major roads or dispersed in smaller pockets throughout town. It should be noted that the town assessor's land use data is based on actual usage, not zoning classification, because some land uses have been "grandfathered" in.

¹⁴ Town of Amherst Assessor's Office, 2018; 2010 Amherst Master Plan, Chapters 5 and 6.

¹⁵ 2010 Amherst Master Plan, Supporting Document A: Existing Conditions and Trends Report, p. 6.2

Figure 17: Amherst Commercial Building Stock

Type of Building	Land Area (acres)	Gross Leasable Area (sq. ft.)
Commercial	309	1,072,543
Commercial Condominium	N/A	130,920
Industrial	26	122,856
Service Station	2	8,593
Total	337	1,334,912

Source: Amherst Assessor's Office, 2018

Figure 18: Amherst Commercial Centers

Commercial Property Location	Land Area (acres)	Gross Leasable Area (sq.ft.)
Atkins Corner	3.82	38,090
Downtown	12.68	327,428
East Amherst	22.13	109,827
North Amherst	12.2	79,075
Pomeroy Village	5.36*	56,707
University Drive	55.26	388,656
Other	75.57	335,129
Total	337.02	1,334,912

Source: Amherst Assessor's Office, 2018

*A 150-acre golf course in Pomeroy Village is a commercial use but is in the Flood Prone Conservancy Zone and cannot be developed.

Figure 19: Commercial Asking Rents and Vacancy Rates

Commercial Property Location	Rents/sq. ft.	Average Rent
Downtown	\$15-37	\$22.7
East Amherst	\$15-16	\$15.50
North Amherst	n/a	n/a
Pomeroy Village	\$5-6*	\$5.50
University Drive	\$15	\$15
Average Rent		\$14.60

*These figures are based on one property for lease in spring 2018.

Vacancy rates throughout town are generally quite low, around 3-5%, according to the Town Assessor, local Economic Development Director, and BID Director.

Residential Building Stock

The section below analyzes the residential building stock in the town, which includes a large percentage of rental units.

Figure 20: Amherst Housing Tenure

	Housing Units	Percent
Amherst Occupied Housing Units	8,938	-
Housing Tenure		
Owner-Occupied	3,901	43.6%
Renter-Occupied	5,037	56.4%

Source: 2011-2015 American Community Survey 5-Year Estimates

More than half of the housing units in Amherst are rental units (Figure 20), and they have a very low vacancy rate. Figure 21 indicates that 870 of the total housing units in Amherst are vacant, but the data for this has a margin of error of +/- 234 units. Also, it is likely that the majority of vacant housing units are rentals and that they are only short-term vacancies. In fact, the census data indicates that at any given time about 100-300 units are rented but not occupied, and this is considered “vacant.”

Homeowner vacancy rates are also fairly low, with about 89 units vacant at the 2.3% vacancy rate. The additional vacant units may not be included in the “pool” of owner-occupied and rental housing because they may fall into one of the following groups: seasonal vacation homes, newly constructed, for sale, preparing to rent or sell, held off the market (for a variety of reasons), under foreclosure, or under repair/renovation.

Figure 21: Amherst Housing Occupancy

	Housing Units	Percent
Amherst Total Housing Units	9,808	-
Housing Occupancy		
Occupied	8,938	91.1%
Vacant	870	8.9%
Homeowner Vacancy Rate:		2.3%
Rental Vacancy Rate:		0.9%

Source: 2011-2015 American Community Survey 5-Year Estimates

Of the total housing units, less than half are single-family detached dwellings (4,115). Some of these are clearly rentals, since the total number of owner-occupied units is less than this (3,901). Another significant grouping of about 1,593 two-family homes and attached townhouses exists (shown in Figure 22 as 1-unit attached and 2 units), and these are probably a mix of rental and owner-occupied units. The remaining units (a total of 4,100) are in buildings containing 3 or more units per structure, most of which are rentals. There appear to be no mobile homes or other dwelling types.

Figure 22: Housing by Type and Number of Units

Units In Structure		
Amherst Total housing units	9,808	
1-unit, detached	4,115	42.0%
1-unit, attached	586	6.0%
2 units	1,007	10.3%
3 or 4 units	739	7.5%
5 to 9 units	1,045	10.7%
10 to 19 units	1,209	12.3%
20 or more units	1,107	11.3%
Mobile home	0	0.0%
Boat, RV, van, etc.	0	0.0%

Source: 2011-2015 American Community Survey

The asking rents for these properties, based on a sample of about 308 units, range from \$800 per month to over \$2,000 per month per unit. The majority of rentals fall into the \$800-\$1,249 range, with a significant number falling into a much higher category of over \$1,500 per month. These figures do not include individual rooms rented in single unit detached dwellings (houses). These individual rooms for rent are typically available for less than \$800 per month. A brief search on Craigslist (conducted April 2018) yielding over a dozen examples revealed that rooms in detached single-family dwellings are available in Amherst for anywhere from \$380 to \$675, sometimes including utilities. The majority were in the \$500 to \$650 range including utilities. Some of these rooms are part of an entire house of rented rooms, while others are single rooms rented out by the homeowner.

Figure 23: Asking Rents in Amherst Based on Representative Sample

	Rental Units
Amherst Total	308
Asking Rent	
Less than \$500	0
\$500 to \$799	0
\$800 to \$899	48
\$900 to \$999	13
\$1,000 to \$1,249	100
\$1,250 to \$1,499	0
\$1,500 to \$1,999	60
\$2,000 to \$2,499	87
\$2,500 or more	0

Source: 2012-2016 American Community Survey 5-Year Estimates

The following charts were prepared by RKG Associates for the Amherst Housing Market Study in 2015. They demonstrate average and minimum/maximum asking rents for a variety of apartment sizes, from

one-bedroom to four-plus bedrooms, and the average cost per square foot. They include Amherst as well as some neighboring towns; these “Tier 1” towns include Sunderland, Leverett, Shutesbury, Pelham, Belchertown, Granby, South Hadley, Hadley, Northampton and Hatfield.

Based on these results (Figures 24 and 25), one-bedroom apartments in Amherst, whether in a large apartment complex or otherwise, can range from \$600 to \$1,300, with a rough average of around \$975. Two-bedroom apartments range from \$989 to \$1,580 (average is \$1,300), and three-bedroom apartments are \$1,700 to \$2,050 (average \$1,855). Four-bedroom apartments, the largest inventoried, are \$2,000 to \$2,650 and average about \$2,450.

Figure 24: Apartment Complex Rents – 2015 RKG Survey

Table 4-25

**Apartment Complex Survey
Amherst and Tier 1 Towns**

Complex	Southpointe Apartments	Rolling Green	Mill Valley	Aspen Chase	Sugarloaf Estates
Town	Amherst	Amherst	Amherst	Amherst	Sunderland
# of Units	182	204	148	102	232
One Bedroom					
Size (SF)	710	759		400	
Rent	\$873	\$1,250		\$885	
Rent/SF	\$1.23	\$1.65		\$2.21	
Two Bedroom					
Size (SF)	887	1,072	974	650	850
Rent	\$1,033	\$1,580	\$1,400	\$1,420	\$1,468
Rent/SF	\$1.17	\$1.47	\$1.44	\$2.18	\$1.73
Three Bedroom					
Size (SF)		1,158	1,172	1,200	
Rent		\$1,930	\$1,700	\$1,899	
Rent/SF		\$1.67	\$1.45	\$1.58	
Four Bedroom					
Size (SF)		1,158	1,680	1,000	
Rent		\$2,480	\$2,425	\$2,624	
Rent/SF		\$2.14	\$1.44	\$2.62	

Source: Move.com & RKG Associates, Inc.

Figure 25: Advertised Apartment Rents – 2015 Craigslist Sample

Table 4-26

Sample of Rents from Craigslist

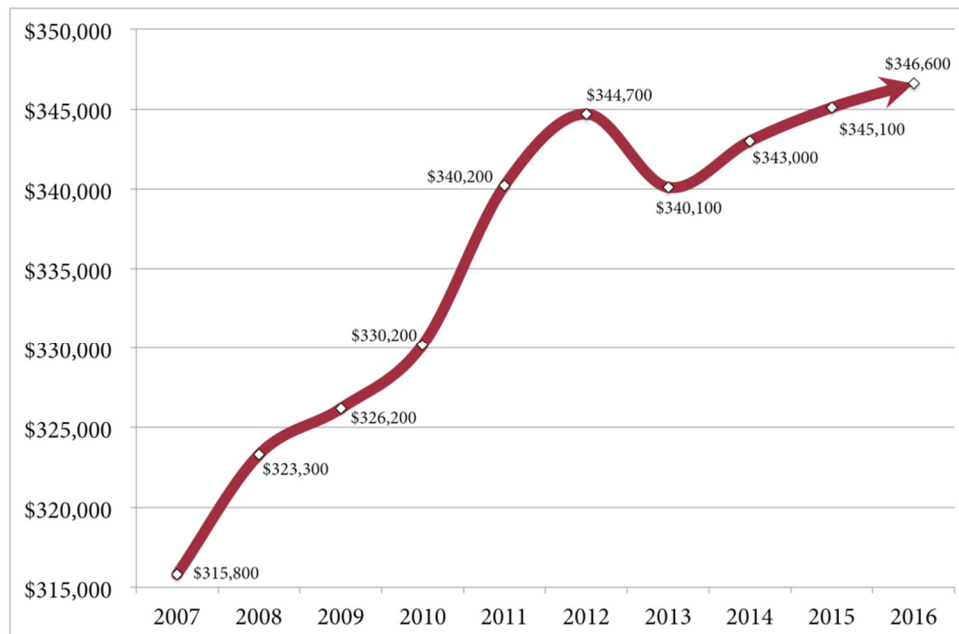
Amherst and Tier 1 Towns

	1-Bedroom	2-Bedrooms	3-Bedrooms	4+Bedrooms	Total
AMHERST					
Count	9	6	6	5	26
Average	\$884	\$1,123	\$1,893	\$2,266	\$1,438
Minimum	\$600	\$989	\$1,800	\$2,000	\$600
Maximum	\$1,300	\$1,250	\$2,050	\$2,650	\$2,650
Median	\$840	\$1,125	\$1,875	\$2,200	\$1,200
TIER ONE TOWNS					
Count	6	14	5	4	29
Average	\$954	\$1,213	\$1,725	\$1,824	\$1,332
Minimum	\$700	\$850	\$1,400	\$1,495	\$700
Maximum	\$1,375	\$1,800	\$2,000	\$2,175	\$2,175
Median	\$943	\$1,238	\$1,775	\$1,813	\$1,325
Fair Market Rent	\$748	\$935	\$1,167	\$1,330	

Source: Craigslist.com, HUDUSER.org, & RKG Associates, Inc.

Over the past decade, home prices have risen steadily in Amherst, even during the Great Recession. Home values jumped quickly in 2010-11 but dipped slightly in 2013. They have been rising slowly and steadily since then.

Figure 26: Median Home Price (2007-2016)



Source: 2007 - 2016 ACS 5-year estimates